

Message Text

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PAGE 01 STATE 048748

64

ORIGIN EUR-12

INFO OCT-01 NEA-09 ISO-00 XMB-02 EB-07 SP-02 AID-05 NSC-05

CIEP-01 TRSE-00 SS-15 STR-01 OMB-01 CEA-01 COME-00

IGA-01 MC-02 L-02 /067 R

DRAFTED BY EUR/SE - M. BRUCE HIRSHORN/LM

APPROVED BY EUR - MR. LAINGEN

EUR/SE - MR. LEDSKY

XMB - MR. GLICK

EB - MR. ORTMAN

----- 019170

P R 050016Z MAR 75

FM SECSTATE WASHDC

TO AMEMBASSY NICOSIA PRIORITY

INFO AMEMBASSY BEIRUT

AMEMBASSY LONDON

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E.O. 11652: N/A

- - "

TAGS:ETRD, EAIR, CY

SUBJ SALE OF MCDONNELL-DOUGLAS AIRCRAFT TO CYPRUS AIRWAYS
EXIMBANK FINANCING

REF: NICOSIA 0721

BEIRUT FOR RCAA

1. DIRECT DEPARTMENT APPROACH TO EXIMBANK IS NOT NECESSARY
AS LATTER ROUTINELY RECEIVES COPIES OF TELEGRAMS WITHIN ITS
AREAS OF INTEREST. EXIM IS, THEREFORE, AWARE OF EMBASSY'S
VIEWS FAVORING THE FINANCING OF DC-9 AIRCRAFT TO CYPRUS
AIRWAYS.

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PAGE 02 STATE 048748

2. EXIM'S REFUSAL WAS NOT BASED ON NOTION THAT COMMERCIAL

AIRCRAFT UNABLE TO OPERATE SAFELY IN CYPRUS. RATHER, EXIM HAS STATUTORY RESPONSIBILITY TO FIND A REASONABLE ASSURANCE OF REPAYMENT AND MAKES JUDGMENTS ON ITS ESTIMATE OF CREDIT RISK INHERENT IN TRANSACTION. DEPARTMENT HAS HAD DISCUSSIONS WITH MCDONNELL-DOUGLAS AND EXIM ON THIS PROPOSAL AND HAS ADVISED THEM OF POTENTIAL ADVANTAGES FROM OUR STANDPOINT IN SELLING AMERICAN AIRCRAFT TO CYPRUS.

3. IN THIS CASE, HOWEVER, BANK, WHICH IS AN INDEPENDENT AGENCY OF THE USG, CONCLUDED THAT CURRENT SITUATION IN CYPRUS PRESENTS GREATER OVERALL RISKS THAN IT SHOULD RUN.
KISSINGER

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Message Attributes

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Draft Date: 05 MAR 1975
Decaption Date: 01 JAN 1960
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Disposition Approved on Date:
Disposition Authority: MorefiRH
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
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Drafter: M. BRUCE HIRSHORN/LM
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Review Authority: MorefiRH
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Margaret P. Grafeld
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TAGS: ETRD, EAIR, CY, MCDONNELL-DOUGLAS AIRCRAFT CO, CYPRUS AIRWAYS, XMB
To: NICOSIA
Type: TE
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